

SECTION I -- CONTRACT CLAUSES

I.1 52.252-02 CLAUSES INCORPORATED BY REFERENCE FEBRUARY 1998

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.acqnet.gov/far/current/html/FARMTOC.html>

Clause	Title	Date
52.202-01	Definitions	December 2001
52.203-03	Gratuities	April 1984
52.203-05	Covenant Against Contingent Fees	April 1984
52.203-06	Restrictions On Subcontractor Sales To The Government	July 1995
52.203-07	Anti-Kickback Procedures	July 1995
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	January 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	June 2003
52.204-02	Security Requirements	August 1996
52.204-07	Central Contractor Registration	October 2003
52.209-06	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	July 1995
52.215-02	Audit and Records--Negotiation	June 1999
52.215-10	Price Reduction for Defective Cost or Pricing Data	October 1997
52.215-11	Price Reduction for Defective Cost or Pricing Data—Modifications	October 1997
52.216-25	Contract Definitization (See Note 1.)	October 1997
52.217-08	Option To Extend Services	November 1999
52.217-09	Option To Extend The Term Of The Contract	March 2000
52.219-08	Utilization of Small Business Concerns	October 2000
52.219-09	Small Business Subcontracting Plan	January 2002
52.219-09 Alt II	Small Business Subcontracting Plan (Jan 2002) - Alternate II	October 2001
52.222-01	Notice To The Government Of Labor Disputes	February 1997
52.222-03	Convict Labor	June 2003
52.222-26	Equal Opportunity	April 2002
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	December 2001
52.222-36	Affirmative Action For Workers with Disabilities	June 1998
52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	December 2001
52.222-41	Service Contract Act Of 1965, As Amended	May 1989
52.222-43	Fair Labor Standards Act And Service Contract Act - Price Adjustment (Multiple Year And Option Contracts)	May 1989
52.223-03	Hazardous Material Identification And Material Safety Data	January 1997
52.223-06	Drug Free Workplace	May 2001
52.223-12	Refrigeration Equipment and Air Conditioners	May 1995
52.223-14	Toxic Chemical Release Reporting	August 2003
52.225-01	Buy American Act - Supplies	June 2003
52.225-13	Restrictions on Certain Foreign Purchases	December 2003
52.227-01	Authorization and Consent	July 1995
52.227-03	Patent Indemnity	April 1984
52.228-14	Irrevocable Letter of Credit	December 1999

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52.229-03	Federal, State And Local Taxes	April 2003
52.230-02	Cost Accounting Standards	April 1998
52.232-01	Payments	April 1984
52.232-08	Discounts For Prompt Payment	February 2002
52.232-11	Extras	April 1984
52.232-17	Interest	June 1996
52.232-18	Availability Of Funds	April 1984
52.232-19	Availability Of Funds For The Next Fiscal Year	April 1984
52.232-23	Assignment Of Claims	January 1986
52.232-25	Prompt Payment	October 2003
52.232-32	Performance-Based Payments	February 2002
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	October 2003
52.233-01	Disputes	July 2002
52.233-03	Protest After Award	August 1996
52.237-02	Protection Of Government Buildings, Equipment, And Vegetation	April 1984
52.237-03	Continuity Of Services	January 1991
52.242-13	Bankruptcy	July 1995
52.243-01 Alt II	Changes--Fixed-Price (Aug 1987) - Alternate II	April 1984
52.243-07	Notification Of Changes	April 1984
52.244-02	Subcontracts (Cost-Reimbursement and Letter Contracts)	August 1998
52.244-05	Competition In Subcontracting	December 1996
52.244-06	Subcontracts for Commercial Items	April 2003
52.245-02	Government Property (Fixed Price Contracts)	June 2003
52.245-04	Government-Furnished Property (Short Form)	June 2003
52.246-25	Limitation Of Liability--Services	February 1997
52.247-34	F.O.B. Destination	November 1991
52.249-02	Termination for Convenience of the Government (Fixed-Price)	September 1996
52.249-04	Termination for Convenience of the Government (Services) (Short Form)	April 1984
52.249-08	Default (Fixed-Price Supply and Service)	April 1984
52.253-01	Computer Generated Forms	January 1991

I.2 1252.209-70 DISCLOSURE OF CONFLICTS OF INTEREST OCTOBER 1994

It is the Department of Transportation's (DOT) policy to award contracts to only those offerors whose objectivity is not impaired because of any related past, present, or planned interest, financial or otherwise, in organizations regulated by DOT or in organizations whose interests may be substantially affected by Departmental activities. Based on this policy:

(a) The offeror shall provide a statement in its proposal which describes in a concise manner all past, present or planned organizational, financial, contractual or other interest(s) with an organization regulated by DOT, or with an organization whose interests may be substantially affected by Departmental activities, and which is related to the work under this solicitation. The interest(s) described shall include those of the proposer, its affiliates, proposed consultants, proposed subcontractors and key personnel of any of the above. Past interest shall be limited to within one year of the date of the offeror's technical proposal. Key personnel shall include any person owning more than 20% interest in the offeror, and the offeror's corporate officers, its senior managers and any employee who is responsible for making a decision or taking an action

on this contract where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

(b) The offeror shall describe in detail why it believes, in light of the interest(s) identified in (a) above, that performance of the proposed contract can be accomplished in an impartial and objective manner.

(c) In the absence of any relevant interest identified in (a) above, the offeror shall submit in its proposal a statement certifying that to its best knowledge and belief no affiliation exists relevant to possible conflicts of interest. The offeror must obtain the same information from potential subcontractors prior to award of a subcontract.

(d) The Contracting Officer will review the statement submitted and may require additional relevant information from the offeror. All such information, and any other relevant information known to DOT, will be used to determine whether an award to the offeror may create a conflict of interest. If any such conflict of interest is found to exist, the Contracting Officer may (1) disqualify the offeror, or (2) determine that it is otherwise in the best interest of the United States to contract with the offeror and include appropriate provisions to mitigate or avoid such conflict in the contract awarded.

(e) The refusal to provide the disclosure or representation, or any additional information required, may result in disqualification of the offeror for award. If nondisclosure or misrepresentation is discovered after award, the resulting contract may be terminated. If after award the Contractor discovers a conflict of interest with respect to the contract awarded as a result of this solicitation, which could not reasonably have been known prior to award, an immediate and full disclosure shall be made in writing to the Contracting Officer. The disclosure shall include a full description of the conflict, a description of the action the contractor has taken, or proposes to take, to avoid or mitigate such conflict. The Contracting Officer may, however, terminate the contract for convenience if he or she deems that termination is in the best interest of the Government.

I.3 1252.217-81 GUARANTEE

JANUARY 1996

(a) In the event any work performed or materials furnished by the contractor prove defective or deficient within 60 days from the date of redelivery of the vessel(s), the Contractor, as directed by the Contracting Officer and at its own expense, shall correct and repair the deficiency to the satisfaction of the Contracting Officer.

(b) If the Contractor or any subcontractor has a guarantee for work performed or materials furnished that exceeds the 60 day period, the Government shall be entitled to rely upon the longer guarantee until its expiration.

(c) With respect to any individual work item identified as incomplete at the time of redelivery of the vessel(s), the guarantee period shall run from the date the item is completed.

(d) If practicable, the Government shall give the Contractor an opportunity to correct the deficiency.

(1) If the Contracting Officer determines it is not practicable or is otherwise not advisable to return the vessel(s) to the Contractor, or the Contractor fails to proceed with the repairs promptly, the Contracting Officer may direct that the repairs be performed elsewhere, at the Contractor's expense.

(2) If correction and repairs are performed by other than the Contractor, the Contracting Officer may discharge the Contractor's liability by making an equitable deduction in the price of the contract.

(e) The Contractor's liability shall extend for an additional 90 day guarantee period on those defects or deficiencies that the Contractor corrected.

(f) At the option of the Contracting officer, defects and deficiencies may be left uncorrected. In that event, the Contractor and Contracting Officer shall negotiate an equitable reduction in the contract price. Failure to agree upon an equitable reduction shall constitute a dispute under the Disputes clause of this contract.

I.4 1252.219-70 SMALL BUSINESS AND SMALL DISADVANTAGED JUNE 1997
BUSINESS SUBCONTRACTING REPORTING

(a) The Contractor shall submit the Summary Subcontract Report (Standard Form 295 (SF-295)) to the Department of Transportation, Office of the Secretary, Office of Small and Disadvantaged Business Utilization (S-42), 400 7th St., SW, Washington, DC, 20590.

(b) The Contractor shall include this clause in all subcontracts that include the clause at (FAR) 48 CFR 52.219-9.

I.5 1252.223-71 ACCIDENT AND FIRE REPORTING OCTOBER 1994

(a) The Contractor shall report to the Contracting Officer any accident or fire occurring at the site of the work which causes:

(1) A fatality or as much as one lost workday on the part of any employee of the Contractor or subcontractor at any tier;

(2) Damage of \$1,000 or more to Federal property, either real or personal;

(3) Damage of \$1,000 or more to Contractor or subcontractor owned or leased motor vehicles or mobile equipment; or

(4) Damage for which a contract time extension may be requested.

(b) Accident and fire reports required by paragraph (a) above shall be accomplished by the following means:

(1) Accidents or fires resulting in a death, hospitalization of five or more persons, or destruction of Federal property (either real or personal), the total value of which is estimated at \$100,000 or more, shall be reported immediately by telephone to the Contracting Officer or his/her authorized representative and shall be confirmed by telegram or facsimile transmission within 24 hours to the Contracting Officer. Such telegram or facsimile transmission shall state all known facts as to extent of injury and damage and as to cause of the accident or fire.

(2) Other accident and fire reports required by paragraph (a) above may be reported by the Contractor using a state, private insurance carrier, or Contractor accident report form which provides for the statement of:

(i) The extent of injury; and

(ii) The damage and cause of the accident or fire.

Such report shall be mailed or otherwise delivered to the Contracting Officer within 48 hours of the occurrence of the accident or fire.

(c) The Contractor shall assure compliance by subcontractors at all tiers with the requirements of this clause.

I.6 1252.237-70 QUALIFICATIONS OF EMPLOYEES

OCTOBER 1994

The Contracting Officer may require dismissal from work of those employees which he/she deems incompetent, careless, insubordinate, unsuitable or otherwise objectionable, or whose continued employment he/she deems contrary to the public interest or inconsistent with the best interest of national security. The Contractor shall fill out, and cause each of its employees on the contract work to fill out, for submission to the Government, such forms as may be necessary for security or other reasons. Upon request of the Contracting Officer, the Contractor's employees shall be fingerprinted. Each employee of the Contractor shall be a citizen of the United States of America, or an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form I-151, or who presents other evidence from the Immigration and Naturalization Service that employment will not affect his/her immigration status.

I.7 1252.242-73 CONTRACTING OFFICER'S TECHNICAL
REPRESENTATIVE

OCTOBER 1994

(a) The Contracting Officer may designate Government personnel to act as the Contracting Officer's Technical Representative (COTR) to perform functions under the contract such as review and/or inspection and acceptance of supplies, services, including construction, and other functions of a technical nature. The Contracting Officer will provide a written notice of such designation to the Contractor within five working days after contract award or for construction,

not less than five working days prior to giving the contractor the notice to proceed. The designation letter will set forth the authorities and limitations of the COTR under the contract.

(b) The Contracting Officer cannot authorize the COTR or any other representative to sign documents (i.e., contracts, contract modifications, etc.) that require the signature of the Contracting Officer.

I.8 1252.245-70 GOVERNMENT PROPERTY REPORTS OCTOBER 1994

(a) The Contractor shall prepare an annual report of Government property in its possession and the possession of its subcontractors.

(b) The report shall be submitted to the Contracting Officer not later than September 15 of each calendar year on Form DOT F 4220.43, Contractor Report of Government Property.

I.9 52.204-01 APPROVAL OF CONTRACT DECEMBER 1989

This contract is subject to the written approval of [identify title of designated agency official here] and shall not be binding until so approved.

I.10 52.216-24 LIMITATION OF GOVERNMENT LIABILITY APRIL 1984

(a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding _____ dollars.

(b) The maximum amount for which the Government shall be liable if this contract is terminated is _____ dollars.

I.11 52.217-02 CANCELLATION UNDER MULTIYEAR CONTRACTS OCTOBER 1997

(a) "Cancellation", as used in this clause, means that the Government is canceling its requirements for all supplies or services in program years subsequent to that in which notice of cancellation is provided. Cancellation shall occur by the date or within the time period specified in the Schedule, unless a later date is agreed to, if the Contracting Officer--

(1) Notifies the Contractor that funds are not available for contract performance for any subsequent program year; or

(2) Fails to notify the Contractor that funds are available for performance of the succeeding program year requirement. -

(b) Except for cancellation under this clause or termination under the Default clause, any reduction by the Contracting Officer in the requirements of this contract shall be considered a termination under the Termination for Convenience of the Government clause.-

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(c) If cancellation under this clause occurs, the Contractor will be paid a cancellation charge not over the cancellation ceiling specified in the Schedule as applicable at the time of cancellation.

(d) The cancellation charge will cover only--

(1) Costs--

(i) Incurred by the Contractor and/or subcontractor;

(ii) Reasonably necessary for performance of the contract; and

(iii) That would have been equitably amortized over the entire multiyear contract period but, because of the cancellation, are not so amortized, and

(2) A reasonable profit or fee on the costs.

(e) The cancellation charge shall be computed and the claim made for it as if the claim were being made under the Termination for Convenience of the Government clause of this contract. The Contractor shall submit the claim promptly but no later than 1 year from the date--

(1) Of notification of the nonavailability of funds; or

(2) Specified in the Schedule by which notification of the availability of additional funds for the next succeeding program year is required to be issued, whichever is earlier, unless extensions in writing are granted by the Contracting Officer.-

(f) The Contractor's claim may include--

(1) Reasonable nonrecurring costs (see Subpart 15.4 of the Federal Acquisition Regulation) which are applicable to and normally would have been amortized in all supplies or services which are multiyear requirements;-

(2) Allocable portions of the costs of facilities acquired or established for the conduct of the work, to the extent that it is impracticable for the Contractor to use the facilities in its commercial work, and if the costs are not charged to the contract through overhead or otherwise depreciated;-

(3) Costs incurred for the assembly, training, and transportation to and from the job site of a specialized work force; and--

(4) Costs not amortized solely because the cancellation had precluded anticipated benefits of Contractor or subcontractor learning.-

(g) The claim shall not include--

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- (1) Labor, material, or other expenses incurred by the Contractor or subcontractors for performance of the canceled work;-
- (2) Any cost already paid to the Contractor;-
- (3) Anticipated profit or unearned fee on the canceled work; or-
- (4) For service contracts, the remaining useful commercial life of facilities. ``Useful commercial life" means the commercial utility of the facilities rather than their physical life with due consideration given to such factors as location of facilities, their specialized nature, and obsolescence. -
- (h) This contract may include an Option clause with the period for exercising the option limited to the date in the contract for notification that funds are available for the next succeeding program year. If so, the Contractor agrees not to include in option quantities any costs of a startup or nonrecurring nature that have been fully set forth in the contract. The Contractor further agrees that the option quantities will reflect only those recurring costs and a reasonable profit or fee necessary to furnish the additional option quantities.-
- (i) Quantities added to the original contract through the Option clause of this contract shall be included in the quantity canceled for the purpose of computing allowable cancellation charges.

[END OF SECTION I]